

February 12, 1960

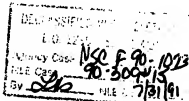
MEMORANDUM OF CONFERENCE WITH THE PRESIDENT
February 8, 1960

Others present: Secretary Herter, General Goodpaster

Secretary Herter said he had received a friendly letter from Selwyn Lloyd regarding our threshold proposal. Mr. Lloyd had indicated that the British will support us as far as they possibly can.

With regard to talks on Berlin, Mr. Herter said the French have submitted a paper covering six points which they say were "agreed" at Paris. One of these gives some trouble -- the statement that there was an agreement to stand fast on our juridical position in Berlin. The President said he thought we did agree to stand fast on our juridical position. He said that this was, however, in the context of holding to that until we had something better, and also recognizing that this is a good basis on which to argue our case before the world. It is now fifteen years since the war ended and this reason is wearing thin. The point is that he doesn't want simply to give this up, since we would then be left with nothing. The real question is this -- is there any kind of a step that can be taken from here. He thought we could talk with our allies about this. The President said it is all right to state that we will make no concession without a quid pro quo. He mentioned that there has been some thought that if we do not raise the question of the eastern frontiers they will not raise the question of West Berlin.

Mr. Herter said that Khrushchev shows some signs of moving into a commitment that he will conclude an early treaty with East Germany. We have always said that such action cannot prejudice our rights in West Berlin. It is necessary to think again of our contingency plans. He thought it was desirable to talk to the Germans about these.



The President said that if we are going on the theory that the East Germans are going to block access to Berlin, we must consider what the city is going to do economically. It was one thing to support it with an airlift when it was at a subsistence level after the war. Now, however, there is a tremendous amount of trade and industry on which the city's prosperity depends.

The President asked Mr. Herter to furnish him with a brief regarding our juridical position in West Germany.

Mr. Herter next mentioned the matter of new passes for our forces in Germany. We are inclined not to accept the change in the passes which purports to have the East Germans "register" the pass.

The President went back to Western agreement that we would not give away rights in Berlin. But if anything can be found that would be better for both sides, it is all right to make a change. He reiterated that if the Soviets and the East Germans block civil access to West Berlin they can make the city stagnate.

Mr. Herter said the real problem is the German elections. These must be held before September 1961. Until they are held Adenauer will be almost immovable. He said he would get our thoughts in shape on West Berlin before Adenauer is here in March.

Mr. Herter then gave the President a memorandum recommending State Department reorganization. He said Senator Jackson has put in legislation, or is about to do so, based on the thought of having a Secretary of State and below him a Secretary of Foreign Affairs. Mr. Herter indicated some sympathy with this approach. He commented that it would take the place of the idea of a First Secretary of the Government.

The President recalled that he had discussed the First Secretary proposal with Mr. Dulles at length. It is his intention to put this proposal in during the present session. He recalled

that the State Department had gotten impatient and wanted to reorganize itself. There is some tendency of this proposal to cut across the First Secretary proposal. On the specific point of having the USIA become an operating agency within the State Department, the President recalled that Mr. Dulles had wanted originally to limit the State Department to policy. However, when he saw the need for control of day-to-day operations, he began to change his position. Mr. Herter said the only really important change proposed is that respecting the USIA. At the present time there is a danger of having parallel lines of foreign policy. It is almost impossible to separate policy responsibility from operational responsibility. His thought is that if we had a Secretary of State and a Secretary of Foreign Affairs, the top man could dovetail all affairs including diplomatic, economic and informational.

The President said that we have representatives from many departments engaged in foreign affairs. Someone is needed to coordinate all of this, and there is need for a new title. The title of Secretary of State has a historic meaning, and will not do.

Mr. Herter said the last proposal for a First Secretary was for an individual not to be confirmed by the Senate, and to be essentially a staff officer of the President in the White House having only delegated powers. The President said he completely disagreed with this. The man should be confirmed, have an established salary and necessary staff. There is a need for permanency. He should not be in the White House. The President went on to say that one problem with the proposed reorganization is that USIA cannot confine itself simply to international political relationships. It must disseminate information regarding the Defense Department and many other activities of the Government. Rather than put it in the State Department, his thought has been to put all under one man, allowing the State Department to retain the diplomatic and policy-recommending function.

The President said that one major value of the proposal would be to make the officials of USIA and ICA members of the Foreign

Service. Mr. Herter commented that this would only apply to a few of the top people. The President asked whether the four proposed additional positions would be political appointees, i.e., policy level men. Mr. Herter said they would.

After further discussion the President said that this proposal seems generally all right. It may prejudice his First Secretary proposal, but he is determined to put it in to the Congress anyhow.

Mr. Herter next brought up an invitation he had received to address the Press Club, and answer questions regarding disarmament. The President said he would see no objection and would in fact be delighted for the Secretary to do so. He suggested a quick review of the world situation as he sees it now, mentioning the German issue, the question of testing, the strengthening of the free world including Latin America. In so doing he could stress our common basis of religion.

The President next referred to his South American trip. He said he knew it would be a good will trip, but he wanted to know what he should plan to talk about as regards substantive things. Mr. Herter said one problem is that Brazil and Argentina have been following diametrically opposed economic schemes. Brazil has not met the IMF requirements, whereas Argentina has. There are two great things in Brazil --one is Brazilia into which Kubitchek has put a great deal of money, and the second is Operation Pan America, which is his pet proposal. The President recalled that Ayub had told him that he was spending much less money on Rawalpindi than Kubitchek is spending on Brazilia; in fact, he is limiting the expenditures to \$12 million a year. The city will build slowly so that Pakistan does not wreck itself. They have a range with something over 100,000 head of cattle on it occupying an area larger than the state of Georgia. Such diversity between the rich and the poor creates terrible tensions.

Mr. Herter next raised the question of disarmament. He said there is beginning to be question whether we could do anything in the atomic field. The President said he tends to agree, and to feel that this must be kept until the last. Mr. Herter said that one problem is that Defense insists they have great atomic requirements extending out as far as 1968.

..... This means that there will be no monopoly on possession of the nuclear weapons. The President said that it is because of this possibility that he has always strongly favored the sharing of our weapons. It makes little sense not to share them when nations can, with facility, provide them for themselves.



A. J. Goodpaster
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